

Message Text

LIMITED OFFICIAL USE

PAGE 01 BRIDGE 00403 051858Z

70

ACTION EB-11

INFO OCT-01 ARA-16 EUR-25 ISO-00 SPC-03 AID-20 NSC-07

RSC-01 CIEP-02 TRSE-00 SS-20 STR-08 OMB-01 CEA-02

CIAE-00 INR-10 NSAE-00 COME-00 XMB-07 L-03 PA-04

PRS-01 USIA-15 FRB-02 DRC-01 /160 W

----- 123904

R 042251Z MAR 74

FM AMEMBASSY BRIDGETOWN

TO SECSTATE WASHDC 6828

INFO AMEMBASSY GEORGETOWN

AMEMBASSY KINGSTON

AMEMBASSY LONDON

AMEMBASSY PORT OF SPAIN

LIMITED OFFICIAL USE BRIDGETOWN 0403

E.O. 11652: DECONTROL FOLLOWING DEC 31, 1974

TAGS: EFIN, EGEN, ECON, BB

SUBJ: GOB ANNOUNCES EXCHANGE CONTROLS

1. GOB ANNOUNCED MARCH 1 THAT EASTERN CARIBBEAN DOLLARS AND POUND STERLING ARE NOW CLASSIFIED AS FOREIGN CURRENCIES. ALL TRANSACTIONS INVOLVING MOVE OF THESE CURRENCIES FROM BARBADOS ARE SUBJECT TO CENTRAL BANK APPROVAL.

2. CENTRAL BANK PASSED OUT IMPORT/EXPORT CONTROL FORMS TO ASSIST IN IMPLEMENTATION OF NEW CONTROLS. LOCAL BANKS MUST FILE FORM FOR ALL TRANSACTIONS IN EXCESS OF BDS \$10,000.

3. COMMENT: CENTRAL BANK ANNOUNCEMENT WAS PRECEDED BY A RUSH OF MAJOR TRANSACTIONS RESULTING IN FAIR-SIZED OUTFLOW OF FUNDS OVER PAST FEW WEEKS. GOB DECISION REPRESENTS CLEAR LOOSENING OF BDS \$ TIES TO STERLING. IT WILL MAKE IT EASIER FOR GOB TO CONTROL OUTFLOWS IN ORDER TO PROTECT RESERVES AND IT WILL ALSO GIVE GOB BETTER STATISTICAL TABULATION

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BRIDGE 00403 051858Z

OF RESERVE POSITION.

4. MOST CARIBBEAN COUNTRIES HAVE HAD SOME TYPE OF CONTROLS
IN OPERATION FOR SOME TIME NOW. GOB HAS FOLLOWED THEIR EXAMPLE
IN ORDER TO BE BETTER EQUIPPED TO DEAL WITH INTERNATIONAL
FINANCIAL CRUNCH STEMMING FROM INFLATION AND OIL CRISIS.
INSTITUTION OF CONTROLS OF THIS TYPE WILL ALSO MAKE IT
EASIER FOR GOB TO CUT ITS STERLING TIES, A MOVE WHICH IS
EXPECTED ANYTIME BY LOCAL BANKING COMMUNITY.
DONOVAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CENTRAL BANK, AGREEMENTS, IMPORTS, EXPORTS, FOREIGN EXCHANGE CONTROLS, STERLING (CURRENCY), TRANSACTION CHECKS
Control Number: n/a
Copy: SINGLE
Draft Date: 04 MAR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BRIDGE00403
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: BRIDGETOWN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740371/aaaacodu.tel
Line Count: 70
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 20 JUN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20 JUN 2002 by rowelle0>; APPROVED <27 JUN 2002 by morefirh>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GOB ANNOUNCES EXCHANGE CONTROLS
TAGS: EFIN, EGEN, ECON, BB
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005